

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Deseret News, Salt Lake City, Utah, Apr. 9, 1963]

#### NOW LET'S MOVE ON CANYONLANDS

This is the year of decision and time's speeding on. So it was refreshing and heartening to all Utahans interested either in the glories of nature or the economic progress of the State to note the agreement reached Saturday by former opponents on the Canyonlands National Park issue.

Hopefully, this agreement provides the common ground upon which all Utahans can stand in pushing for congressional approval of the park this year.

The time certainly is right. National interest has been created by magnificent pictures in recent publications. Several organizations, including the National Parks Association, are crying for action. And by next year, if rumors prove true, Secretary of Interior Stewart Udall, one of the strongest advocates of a Canyonlands National Park, will be a candidate for the Senate. His successor may be far less interested in Canyonlands.

The potential of a park including the weird and beautiful erosion-sculptured stone wonderland of southeastern Utah is tremendous, particularly as transportation into the area is opened up.

That is coming in the near future. Already, half a million cars a year pass within an hour's drive of the proposed park, on U.S. Highways 160 and 50-6. When Interstate 70 is completed along the route of U.S. 50-6, the great bulk of traffic en route from the East or Midwest to the Las Vegas or Southern California areas will pass close to the park.

Moreover, if legislation is finally approved to build a National Scenic Parkway linking Canyonlands to the Zion-Bryce-Grand Canyon area by way of Glen Canyon, it will open up what is beyond question one of the world's greatest scenic areas.

Utah cannot afford to have this great potential slip away unused.

The compromise worked out between Governor Clyde and Senator BENNETT on one side and Senator Moss on the other seems entirely workable. It includes a park of about 250,000 acres in which traditional national park single-use policy would be followed, except that mineral and oil exploration could continue for another 25 years. Mines and wells developed during that time could continue to operate indefinitely.

To minimize such activities in the park, however, areas believed to be of potential value will remain outside the park. So will the area most used for grazing and deer hunting.

The result will be a park that includes all the features that are becoming so well known and loved—Chesler Park, Virginia Park, Druid Arch, Angel Arch, Elephant Canyon, Upheaval Dome, the Needles, the Basin of Standing Rocks.

Tied together with the Dead Horse State Park to the North, it should protect and make accessible a veritable wonderland, both for the tourist who wants to see it from the air-conditioned comfort of his automobile and for the adventurer who wants to set out afoot into some of America's most stark, primitive wilderness.

Utah's leaders in Congress and the statehouse deserve the State's thanks and commendations for putting aside partisan differences and uniting on this program. The same spirit of selfless unity will be necessary to put the bill through Congress at the earliest possible date.

No. 55—3

[From the Salt Lake City (Utah) Tribune, Apr. 10, 1963]

#### CANYONLANDS FACT

All Members of the Utah's congressional delegation and Governor Clyde are to be commended for reaching an agreement on basic framework for the proposed Canyonlands National Park in southeastern Utah.

Details are yet to be ironed out in Congress which, subject to Presidential approval, has the responsibility for setting up the park. For the first time, however, the Utah lawmakers and Governor have a plan all can support.

The compromise, as we understand it, calls for a national park of about 253,000 acres, embracing some of the most breathtaking scenery in the area adjacent to the confluence of the Colorado and Green Rivers. Excluded would be some mineral-rich land in the northeast corner of the originally proposed park, with other acreage added in the south.

The National Park Service's original plan called for about a million acres, an area sliced to 333,000 acres in Senator Moss' bill last year. Unrealistic multiple-use provisions for the park proper also were dropped.

The Tribune has preferred the creation of a national recreation area under Park Service administration for Canyonlands. This would permit recreation as well as full resource development—and in a State so gravely in need of increased funds for schools, exploitation of all natural resources is needed.

But if State and congressional leaders in Utah agree a national park is the only answer, then it should be kept to a minimum in area, as the present compromise plan seems to do.

There is no question that Utah would benefit from establishment of another national park.

However, except for a few delicate formations and arches and undesirability of permanent developments in improper places, it is foolish to regard the Canyonlands as slipping away forever if not immediately given park status.

Early in 1960 the Tribune called attention to the need for protection in their primitive form of the Needles, Chesler Park, and other popular scenic spots, with less rigid protection for adjacent lands. We feel that in the long run, as the national recreation area concept proves popular and feasible, most of the Canyonlands will come under this type of administration.

#### AMERICA IS LAST WITH THEM

Mr. YOUNG of Ohio. Mr. President, most of us remember the "American Firsters," who were so vociferous about 25 years ago. I remember very distinctly, as Congressman at Large from Ohio at that time, addressing a crowd of "American Firsters," in Cleveland Heights and being jeered and threatened in the course of my speech. It did not bother me at that time, nor would such a thing bother me now.

They were demanding critics at that time of decent dealing by our Government with friendly foreign nations. They wanted us to build up again a high-tariff wall around our Nation. Congressman HALE Boggs, Democrat of Louisiana, a distinguished leader in the House of Representatives stated recently that the John Birchers and other right-wing lunatic fringe groups seem a

resurgence of these virulent and misguided critics of fellow Americans. "They are best described as 'America lasters,'" he said. They always insist our Nation's position is wrong. They demand, "Get the United Nations out of the United States and the United States out of the United Nations." They overlook danger from Red China and Communist Russia but falsely claim Communists occupy official positions in the State Department, are prominent in university faculties, and even in Protestant churches and the PTA. Their right-wing literature and pamphlets make a hero of Moise Tshombe and their hearts bleed for the "oppression" of Katanga as they spread the propaganda of the well-heeled Katanga lobby. They praise De Gaulle of France, Diefenbaker's anti-Americanism, make a martyr of former Venezuela tyrant, Jiménez. America is always in the wrong, according to these pamphleteers. They denounce former leaders, such as President Eisenhower, as "conscious tools of the Communist conspiracy" and become apoplectic with rage over Chief Justice Warren and our great Supreme Court. They are truly "America lasters."

#### NOTICE OF HEARINGS BY JOINT ECONOMIC COMMITTEE ON THE SUBJECT OF STEEL PRICES, PROFITS, PRODUCTION, UNIT LABOR COSTS, AND FOREIGN COMPETITION

Mr. DOUGLAS. Mr. President, I wish to announce that the Joint Economic Committee has decided to hold hearings on the subject of steel prices, profits, production, unit labor costs, and foreign competition. It is doing this in the context of the program of the committee to hold hearing on the subject of the domestic economy as soon as possible. These hearings on steel, of course, have been touched off by the recent action of Wheeling Steel and Lukens Steel in raising their prices in a selective way.

We believe that such hearings, if properly conducted, could have a salutary effect in helping to inform Congress and the public of the actual effects concerning these matters.

We hope to start the hearings either on Monday, April 22, or Tuesday, April 23.

It is the intention of the committee that before the views of conflicting parties are heard, the committee will attempt to lay a groundwork of fact and detail, on which all can agree, so that the opinions, results, and recommendations will, so far as possible, reflect an informed view of the problem.

#### THE POLLUTION OF THE COUNTRY'S WATER SUPPLIES BY DETERGENTS

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there be printed

in the RECORD at this point an excellent broadcast by Edward P. Morgan, commenting on the bill which the junior Senator from Oregon [Mr. NEUBERGER], the Senator from Wisconsin [Mr. NELSON], and the Senator from New Hampshire [Mr. McINTYRE] have introduced calling for the protection of the country's water supply from the damage caused by detergents.

There being no objection, the text of the broadcast was ordered to be printed in the RECORD, as follows:

Last week the junior Senator from Oregon, MAURINE NEUBERGER, and two freshmen Senators, GAYLORD NELSON, of Wisconsin, and TOM McINTYRE, of New Hampshire, all Democrats, tackled a growing national health problem which, if neglected much longer, may literally have Americans foaming at the mouth. Jointly they introduced a rather simple bill to call a halt, within 2 years, to pollution of the country's water supplies by detergents.

We Americans use almost 4 billion pounds of this stuff a year and although it may delight housewives by washing away tattle-tale gray, the product is rapidly emerging as a first-class menace. As reported in this corner previously, it has already spoiled drinking water supplies in a number of communities with insoluble suds, drowned wild ducks by permeating their feathers with chemicals, harmed fish, menaced livestock, and added to the ruination of the beauty and utility of streams.

The diabolical ingredient in modern detergents is a powerful oil-based type of chemical—known as ABS—which although it cleans effectively, contains a stubborn refractory hard core which resists decomposition by bacterial action of waste treatment systems and natural waters. ABS can be washed hundreds of miles down rivers and pollute the water supply of downstream users in other States. It may persist in underground water supplies for years. Senator McINTYRE pointed out that its concentration increases as water is reused. For example, "in the Ohio River, where water is reused 4 times, the concentration (of ABS) is already 10 times the national average for streams." He added that in many places in the country billows of foam clog municipal treatment plants, choke large apartment house drains, backing up water to create very serious health hazards.

Edging up to the problem with a cutting comment on another issue—the deceptive packaging of merchandise—Senator NEUBERGER said: "The housewife . . . has now discovered that it is impossible to buy a container of detergent in a standard size and shape with its contents clearly marked. She is met at the supermarket counter with a cockeyed array of squeezable, narrow-waisted, slant-shouldered detergent packages in odd and mystical measurements. The selection of a suitable detergent at an economical price has become a dismal, new, and unrewarding chore.

"But one dispenser of detergents that the housewife has not bargained for was her own tap faucet." Undissolved ABS has charged out of the plumbing in sickening sudsiness in a number of States.

The Senators' bill would provide Federal standards of breakdown which detergents would be required to meet or be barred from manufacture. Paradoxically, West Germany, where detergents were invented, has already enacted a similar law, and Congressman HENRY REUSS, of Milwaukee, recently introduced legislation, in the House embodying its basic elements. Senator NELSON, who, when he was Governor of Wisconsin, earned something of a national reputation in crusading against detergent pollution and for

conservation of natural resources, stressed that a detergent has already been developed, with a sugar instead of an oil base, which breaks down satisfactorily in water. The price reportedly was some 15 percent higher than present detergents but the savings in other ways could be incalculable.

However, NELSON doubted that legislative action would succeed until the problem—which he described as in a crisis stage—is better understood. He emphasized that the bill would not be a hardship on the detergent industry or deny detergents to housewives. NELSON argued that Federal action was necessary, in part, because of the extreme difficulty for a single State to do the research and testing necessary to set standards and impose adequate controls, and furthermore because water does not respect State boundaries, water pollution is, as it were, already in interstate commerce.

It was obvious that he had a broader issue in mind. Unless the country girds for battle immediately, NELSON said in his Senate speech, against the ruination of our natural resources and our very environment, Americans "are not going to have clean water to drink, clean air to breathe, decent soil in which to grow their food, and a green outdoors in which to live a few decades from now. This is a battle to preserve the simplest, basic elements necessary to human survival."

Individual State efforts—such as a special \$50 million conservation fund in Wisconsin—Senator NELSON argued, " . . . cannot begin to save the environment in which we live against the powerful assaults of industrialization, congestion, pollution, erosion, blight, and decay.

"We need a comprehensive, nationwide program to save the natural resources of America." And, he maintained, "we need this just as desperately as we need a defense against atomic missiles."

The ordinary citizen cannot do much directly about our missile defense but preservation of natural resources surely is something he can take a personal hand in. And if that's soft soap, let the detergent lobby make the most of it.

#### NATIONAL ACADEMY OF FOREIGN AFFAIRS

Mr. SYMINGTON, Mr. President, hearings have already begun on the proposal to establish a National Academy of Foreign Affairs, and public support for the creation of such an institution is steadily growing.

There would seem every good reason why all Government employees should have the right to further constructive education, as is already given members of the State Department itself.

In the past, legislative proposals providing for institutions to train our foreign affairs personnel have been consistently opposed by the Foreign Service Corps itself.

It is particularly significant, therefore, that the Foreign Service Journal, unofficial spokesman for the Foreign Service, now gives its full editorial support to the bill currently under consideration, S. 865.

As the Journal points out, the proposed Academy "is in no way intended to compete with the activities of established colleges and universities or of the National War College and the services war colleges; rather its role is to fill a gap in the national security training which cannot, for obvious reasons, be systematically conducted in non-Govern-

ment institutions. The academy thus represents a major conceptual reassessment of training requirements and reflects the radically changed world environment of the 1960's.

Mr. President, I ask unanimous consent that the editorial entitled "Blueprint for Training," from the March 1963 Foreign Service Journal, be printed at this point in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

#### BLUEPRINT FOR TRAINING

Journal readers are aware of the dialog between certain Members of Congress and the Department through the last 5 years and more over the preferred manner in which to recruit and train civilians for roles of responsibility in the conduct of foreign affairs. The debate has been active and enduring since 1959. We have in the past editorialized against proposals that a West Point of diplomacy be established at the undergraduate level; the Department has consistently maintained, without prejudice to its acknowledged responsibilities for providing adequate advanced inservice training, that Foreign Service officers should be a product of the diversified American educational system. Throughout this period, the suspicion has lingered in high quarters that the Foreign Service Institute and the Department's training activities in general were inadequate to the times.

On February 11, however, legislation was introduced into Congress for a National Academy of Foreign Affairs Act of 1963. There now exists an administration blueprint for postgraduate training in the complexities of foreign affairs which has the support of the President and the interdepartmental community. All who have been engaged in this enterprise deserve congratulations. It is hoped that the Congress will see its merits and give it the support it deserves.

The rationale of the Academy is stated in the findings and declaration of policy of the bill:

"The Congress further finds and declares that our responsibilities can be fulfilled more effectively by the establishment of an institution at which training, education, and research in foreign affairs and related fields may be undertaken on an interdepartmental basis which would support integrated U.S. efforts overseas and at the seat of government."

The Academy thus forwards the insights of the successful interdepartmental country team seminar now being conducted at the Foreign Service Institute, i.e., that the integration of national security policy into an effective operational strand requires the careful coordination of the unique capabilities of all affected operational agencies (economic, military, psychological), even though responsibility for coordination will normally rest with the Department of State. The object is to expose each agency's personnel to the capabilities and responsibilities of all others—to make each knowledgeable of the others' business in the widest possible range of problems and contingencies.

The concept of the Academy is that in the broadest sense its program of instruction and research will be designed to cover all significant aspects of foreign affairs in order to meet the needs of all U.S. departments and agencies actively involved in foreign relations. Its purpose is to short circuit the heavy costs of "trial and error" education while drawing to the maximum on case studies of successful and unsuccessful experience. It is in no way intended to compete with the activities of established colleges and universities or of the National War College and the services war colleges; rather its role is to

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fill a gap in national security training which cannot, for obvious reasons, be systematically conducted in nongovernment institutions. The Academy thus represents a major conceptual reassessment of training requirements and reflects the radically changed world environment of the 1960's. In scope, depth, purpose, function and structure, its program and purpose are designed to transcend those carried out by the Foreign Service Institute created by act of Congress in 1946.

In supporting the Academy, we can also acknowledge the enormous contributions which the Institute has made to the efficiency of the Service and the allied agencies through its senior training, course content, its programs in languages, area specialization, Communist theory and practice, and techniques of coordinating interagency programs.

The advantages of moving from the Institute to the Academy have been carefully assessed during the past year by two distinguished citizens' panels (the Herter committee and the Perkins' panel); and under the Department's leadership, they have been studied and adopted within the interdepartmental community. We think the concept of the Academy fits the times and represents a solid program of training requirements which can immeasurably strengthen the Department and the Service in the years ahead.

#### REPORT ON PROGRESS OF SECRETARY OF DEFENSE McNAMARA'S PROGRAM TO REDUCE COSTS IN DEFENSE PROCUREMENT AND SUPPLY—A GREAT AND COURAGEOUS SECRETARY

Mr. DOUGLAS. Mr. President, I rise today to use this forum as a means of expressing to both the Senate and the public in general the great respect and admiration in which I hold the present Secretary of Defense, Mr. McNamara. I believe him to be one of our truly great Secretaries, not only ranking with Stanton and Marshall, but perhaps the best Secretary of Defense of all time. He is not only a man who understands the complex and intricate details of the Defense Establishment, but he has shown the courage to take actions on behalf of the public interest to make our country stronger.

I have never considered myself qualified to speak about those defense matters concerning weapons, tactics, and strategy, and I have kept silent on these matters. However, for a long number of years, I have been deeply concerned with the questions of supply and procurement in the Defense Department and I have gone into these in considerable detail. Perhaps the best way of indicating the respect with which I hold the present Secretary of Defense is to report to the Senate and the country about the way he has unified these activities and greatly improved their efficiency. The facts will stand as testimony both to his ability and his courage.

#### PREVIOUS CRITICISMS OF WASTE

For many years, a number of us have been concerned about the waste in the military procurement and supply systems. A number of excellent studies have been done by the Hoover Commission and by House subcommittees, including especially those by Congressmen BONNER and HEBERT. These studies have proved in depth the problems of

procurement and supply. Here I want to pay tribute to the way in which a number of very hard-working subcommittees in the House over the years have provided invaluable information to the public and to the Congress. Such has been the work of Congressmen BONNER and HEBERT. In addition, the then majority leader and now Speaker of the House JOHN MCCORMACK and Congressman TOM CURTIS have shown an unusual understanding of the problems of procurement and supply and, under the McCormack-Curtis amendment, they have provided the legislation by which the procurement and supply activities of the Department could truly be unified and made efficient.

Mr. President, further legislation on this subject is not needed; there is already enough to justify the Secretary of Defense in acting.

For my own part, from time to time in the past I have pointed out great inefficiencies in the letting of contracts, the duplication of the supply systems, the inefficiencies of the military stock funds, and the disposal of excess and surplus property by some agencies and competing services within the Defense Department when other agencies were buying new items of the same kind.

In addition, over the years the General Accounting Office under two great Comptroller Generals, Lindsay Warren and Joseph Campbell, have issued report after report concerning wastes in contracting and supply which have provided the facts which indicate great inefficiencies and the recommendations which could be a springboard for change.

The Defense Procurement Subcommittee of the Joint Economic Committee, of which I am chairman, has, over the years, provided detailed analyses and criticisms of the procurement and supply system of the Department of Defense. Behind almost all of these congressional activities has been the work of an unsung member of the staff of the Congress; namely, Mr. Ray Ward, who has done the daily work on the intimate details affecting these areas.

#### SAVINGS OF \$1 BILLION NOW IN EFFECT—WILL RISE TO \$3.5 BILLION

When Secretary McNamara appeared before the Defense Procurement Subcommittee of the Joint Economic Committee last month, he was able to state that he had already taken actions which have saved in the fiscal year 1964 budget alone over \$1 billion, I repeat, and that he has initiated actions to go into effect before the end of this fiscal year; namely, fiscal 1963, which will ultimately produce annual savings of almost \$2 billion. Furthermore, he has scheduled actions which, when completed, and if he is not prevented, will increase the rate of savings to \$3.5 billion a year by the end of fiscal 1965. This is a truly great record and one which needs to be known both by the Senate and the public.

#### LETTER TO SECRETARY McNAMARA

As a result of the activities of the Hoover Commission, various congressional committees, and the work of Representatives McCormack, Curtis, Bonner, and Hébert, and of the late Senator O'Mahoney, I addressed a letter to Sec-

retary-designate McNamara on December 30, 1960, drawing attention to what I believed were appalling and even scandalous wastes in the Defense Department's procurement and supply systems.

I ask unanimous consent that the text of that letter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEAR MR. McNAMARA: May I first congratulate you on your appointment as Secretary of Defense. I want to wish you well in this post which is of the highest responsibility and where the opportunity to serve the country is unsurpassed.

I am writing to draw your attention to my concern, and I think that of almost every Member of Congress and of private persons who have gone into it, over what is appalling and even scandalous waste in the Defense Department's procurement and supply system. I am enclosing a number of reports and other documents concerning this. May I mention only a few points.

1. Some 86 percent of all contracts—both in dollar and number—are now negotiated rather than let by competitive bidding. This is inexcusable and results in millions of dollars in excessive prices.<sup>1</sup> In fact, in the reports on the latest Defense Department appropriation bill both the House and Senate urged radical reform in this area. We have been met, however, by little more than a series of justifications of the existing system instead of action to carry out the congressional mandate.

2. In the last 2 years alone, the General Accounting Office has submitted over 50 reports going into detail concerning waste in procurement and supply. The testimony of the Comptroller General before my committee indicates that these are representative samples of a much larger universe. Almost every time they go into this question, malpractices and bad practices are found.

3. There is almost a complete lack of integration between and among the supply systems of the individual services and, equally important, within the services. There is vast duplication of personnel, inventories, warehousing, etc., which can only be solved by centralizing the supply systems. This should be done immediately at least with respect to those items which are common to all of the services.

4. The stock fund system has resulted in the accumulation of excess stocks and cash. Each service seems to operate them in a different way. There is no common practice concerning them. They often involve a double appropriation. In addition, the reimbursable requirements have had the effect of preventing other services and agencies from using stock fund materials which have subsequently been disposed of as surplus.

5. The amount and disposal of surplus property is also of scandalous proportions. We are now selling off some \$8 to \$10 billion of surplus supplies. The question arises, "What kind of a supply system do we have which could conceivably generate such amounts?" In addition, we are receiving only 2 to 3 cents on the dollar when they are disposed of.

Furthermore, there are literally hundreds of examples of concurrent buying and selling—where one agency of the Government buys new supplies which another agency is at the same time disposing of as surplus. A recent Budget Bureau study showed that this was true in two-thirds of the examples and in their study the equipment was new, available in the same geographic area, etc.

6. The Defense Department has at hand one agency which could radically help in

<sup>1</sup> May be billions.

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solving some of these problems. That is the Armed Forces Supply Support Center. But it is not being properly used. Services have, in effect, a veto over its activities and its hands have been tied.

At the moment the Armed Forces Supply Support Center is attempting, under great difficulties, to match the excess or surplus supply inventory with requirements of the services. But much more is needed. There should be a complete inventory of all supplies so that new procurement or requirement can be matched, against existing stocks. This is not now true and calls for a central agency where all procurement requests can go and be matched against existing supplies before new purchases are made.

In this connection also, many of us believe that the services have excessive quantities in their various inventory categories, i.e., mobilization reserve, etc.

I believe that great savings can be made in procurement and supply in the Defense Department. To summarize—there must be more competitive bidding, greater centralization of purchase and supply, much more efficient handling of the surplus supply and disposal system, and the reform of the stock fund and reimbursable requirements.

Fortunately, these reforms can take place under existing law. The Defense Department does not need legislation to effect these reforms.

I think the motto of the Department should be to "use it up, wear it out, make it do," wherever possible. As a minimum, I believe that \$2 to \$3 billion per year could be saved by merely beginning on these reforms. These savings should then be translated into more missiles, tanks, and combat troops so that our country can be more adequately defended and our people protected.

With best wishes.

Faithfully,

PAUL H. DOUGLAS.

Mr. DOUGLAS. Mr. President, it will be noticed that the letter was written just after the appointment of Mr. McNamara had been announced, but before he had taken office. I believe it initiated much action which has been beneficial, for as a result of that letter and of the activities of the persons whom I have mentioned, Secretary McNamara has met with groups of us at intervals of about every 3 months over the past 2 years. We have held many sessions together.

#### SECRETARY McNAMARA'S GRASP OF DETAILS

Secretary McNamara's grasp of the intimate details of the procurement and supply system and his willingness to act on them has impressed all of us tremendously.

When we first met with Secretary McNamara in the early spring of 1961, he not only had read the criticisms which we had made, but he had grasped their complex details intimately and proposed specific actions which he intended to take to make improvements. At the next meeting he held, he reported on what actions he had actually taken and how he was going about improving the situation. For my own part, I must say that this was a great change over what I had seen happen many times in the past. In the past when we made criticisms,

they were almost always dismissed as being untrue and no action or little action was ever taken. The Defense Department was almost always defensive and, instead of saying we will try to improve things, denied that any problems existed. But Secretary McNamara not only understood the problems; he was willing to admit the need for action and then to act.

#### ACTION TAKEN ON NEGOTIATED CONTRACTS

Let me be specific about the way in which Secretary McNamara acted on our recommendations.

First, let me talk about the area of negotiated contracts. We repeatedly pointed out that the Federal Government had been paying excessive prices for military procurement because of the negotiation of contracts. The reports by the Comptroller General, which I have here by the score on the adjoining desk, show that the Comptroller General had been pointing this out over and over again to the Department of Defense, but the Department of Defense previously had taken little or no action upon the criticisms made by the Comptroller General or the steps suggested by him.

Mr. SYMINGTON. Mr. President, will the distinguished Senator from Illinois yield?

Mr. DOUGLAS. I yield.

#### Department of Defense procurement and logistics cost reduction program

(In millions)

	Recurring annual savings to be realized from actions in fiscal years 1962 through current year				
	As estimated Jan. 15, 1963			As reported to President	
	1963	1964	1965	Fiscal year 1963	Fiscal year 1967
1. Buying only what we need:					
a. Refining requirements calculations:					
(1) Major items of equipment.....	(1)	(1)	(1)	0	0
(2) Initial spares provisioning.....	\$104.0	\$157.0	\$210	0	0
(3) Secondary items.....	420.0	502.0	550	\$180	\$300
(4) Technical manuals.....	8.0	26.0	30	0	0
Total from refinement of requirements.....	532.0	684.0	790	180	300
b. Increased use of excess inventory in lieu of new procurement:					
(1) Equipment and supplies.....	189.0	284.0	394	225	450
(2) Idle production equipment.....	2.0	10.0	21	0	0
(3) Excess contractor inventory.....	20.0	20.0	20	0	0
Total from increased use of excess inventory.....	211.0	314.0	435	225	450
c. Eliminating "gold plating".....	64.0	100.0	100	64	100
d. Inventory item reduction.....	1.0	4.0	5	0	0
2. Buying at the lowest sound price:					
a. Shift from noncompetitive to competitive procurement:					
Total percent competitive <sup>1</sup> .....	37.0	38.4	39.9	-----	-----
Amount of saving.....	281.0	402.0	494.0	180	480
b. Shift from CPFF to fixed or incentive price:					
Total percent CPFF <sup>2</sup> .....	25.8	19.1	12.3	-----	-----
Amount of saving.....	322.0	502.0	684.0	100	600
3. Reducing operating costs:					
a. Terminating unnecessary operations.....	292.0	357.0	442.0	257	600
b. Standardizing and simplifying procedures:					
(1) Consolidation of 16 requisition systems into 1 on July 1, 1962.....	10.0	20.0	20.0	20	20
(2) Consolidation of 81 transportation docs into 1.....	0.0	22.0	22.0	30	30
(3) Reduction of contractor reports.....	1.0	4.0	25.0	30	30

Footnotes at end of table.